



General Assembly

***Substitute Bill No. 764***

*January Session, 2001*

***AN ACT ESTABLISHING THE EASTERN CONNECTICUT CASINO  
IMPACT ACCOUNT AND CONCERNING PAYMENTS IN LIEU OF  
TAXES TO MUNICIPALITIES FOR RESTAURANTS AND GAS  
STATIONS ADJACENT TO STATE HIGHWAYS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (a) There is established an account to be known as  
2       the "eastern Connecticut casino impact account". The eastern  
3       Connecticut casino impact account shall be an account of the General  
4       Fund. Notwithstanding the provisions of section 3-55i of the general  
5       statutes, during the fiscal year ending June 30, 2002, and each fiscal  
6       year thereafter, thirty per cent of all funds received by the state of  
7       Connecticut in excess of the amount received in the fiscal year ending  
8       June 30, 2001, from the Mohegan Tribe and the Mashantucket Pequot  
9       Tribe pursuant to the joint memorandum of understanding entered  
10      into by and between the state and the tribe on January 13, 1993, as  
11      amended on April 30, 1993, and any successor thereto, shall be  
12      credited to the account. Any balance remaining in the account at the  
13      end of any fiscal year shall be carried forward in the account for the  
14      fiscal year next succeeding.

15      (b) Funds in the account shall be transferred to the Secretary of the  
16      Office of Policy and Management and used by the Southeastern  
17      Connecticut Council of Governments for grants to municipalities as  
18      follows: (1) Not less than twenty-five per cent of such funds shall be

19 used for grants to Ledyard, Montville, North Stonington, Preston and  
20 Norwich as host and local communities to compensate for costs related  
21 to the impact of casinos; (2) not less than ten per cent of such funds  
22 shall be for grants for economic development to municipalities in the  
23 area of operation of the Southeastern Connecticut Council of  
24 Governments; (3) not less than sixty-two per cent of such funds shall  
25 be used for grants for educational expenses for (A) capital  
26 improvements and technological upgrades, (B) establishment of full-  
27 service schools to accommodate working families and which provide a  
28 full range of support services such as day care, meals and human  
29 services, and (C) school operation costs and costs associated with staff  
30 and curriculum development. Grants under this subdivision shall be  
31 made to the following municipalities: Bozrah, Canterbury, Chaplin,  
32 Franklin, Griswold, Groton, Hampton, Lebanon, Ledyard, Lisbon,  
33 Montville, North Stonington, Norwich, Plainfield, Preston, Scotland,  
34 Sprague, Sterling, Stonington, Voluntown, Waterford, New London,  
35 Brooklyn, Killingly and Windham; and (4) not less than two per cent of  
36 such funds shall be used for a grant to Plainfield to compensate for  
37 businesses lost due to casino operations. Not more than twenty-one  
38 per cent of the amount specified in subparagraph (A) of subdivision (3)  
39 of this subsection shall be used for expenses for capital improvements  
40 and technological upgrades. The Southeastern Connecticut Council of  
41 Governments may retain one per cent of such funds for costs incurred  
42 in administering the provisions of this section.

43 (c) The municipalities eligible for grants under this section shall  
44 jointly develop a cost distribution formula to be used by the  
45 Southeastern Connecticut Council of Governments in determining the  
46 amount of each grant under this section. The formula may be based on  
47 other relevant indicators such as per student property wealth, tax  
48 effort, mean income and school capacity.

49 (d) As used in this section, "municipality" means any town,  
50 consolidated town and city or consolidated town and borough.

51 Sec. 2. (NEW) (a) On or before January first, annually, the Secretary

52 of the Office of Policy and Management shall determine the amount  
53 due, as a state grant in lieu of taxes, to each town in this state wherein  
54 state-owned real property is adjacent to a state highway and such real  
55 property is used for a restaurant or gas station.

56 (b) The grant payable to any town under the provisions of this  
57 section in the state fiscal year commencing July 1, 2001, and each fiscal  
58 year thereafter, shall be equal to one hundred per cent of the property  
59 taxes which would have been paid with respect to such real property  
60 during the preceding fiscal year.

61 Sec. 3. This act shall take effect July 1, 2001.

**PD**

**JOINT FAVORABLE SUBST. C/R**

**APP**